
**MONTANA DEPARTMENT OF COMMERCE
COMMERCE LOAN FUND
2002 ECONOMIC DEVELOPMENT PROJECT SUMMARIES**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AWARDS

Locality: Ravalli County/City of Hamilton
Project Number: 02-04

Name of Company: Corixa, Inc.
Project Location: Hamilton
Financing Date: 08/06/02

CDBG Funds:
Admin. Grant \$ 53,710
Grant for Water, Sewer Construction \$ 607,000
Customized Training Grant \$ 64,385
Other Funds:
DOLI WIA grant \$ 75,615
EDA \$1,446,200
City/County \$ 25,890
Total Project **\$2,272,800**
Job Creation: 32
LMI Jobs: 17

Use of CDBG Funds: Construction costs for extending water and sewer service to Corixa Corporation

The City and County were jointly awarded a Workforce Investment Act (WIA) grant for \$75,615, and CDBG ED funds for \$725,095 for training expenses and extending water and sewer service to Corixa. Total grant award was for \$800,710. Corixa Inc., a Hamilton business develops and manufactures immunotherapeutics that treat and prevent autoimmune diseases, cancers, and other infectious diseases.

Of the total award granted by the Montana Department of Commerce (MDOC), \$607,000 is reserved for construction costs to extend water and sewer service to Corixa from the City. Funds granted for project administration is \$53,710. Total grant funding for hiring and training up to 32 employees is \$64,385 of the CDBG grant funding and \$75,615 in WIA funds. 51% of the positions hired and trained will be held by low to moderate-income persons, and will pay a minimum of \$11.35 in salary and benefits at the end of the training period. The WIA employee-training grant is part of the Governor's Discretionary Fund under the Workforce Investment Act administered by Commerce in cooperation with the Montana Department of Labor and Industry.

Locality: **City of Ronan/Lake County**

Project Number: 02-03

Name of Company: Jore Corporation

Project Location: Ronan

Financing Date: 08/02/02

CDBG Funds:

Admin. Grant \$ 45,000

Loan for Working Capital; \$ 984,963

New Expenditures

Other Funds:

New Jore Corporation Capital \$32,000,000

Total Project \$33,029,963

Job Creation: 50

LMI Jobs: 50

Use of CDBG Funds: Working Capital and New Expenditures for Jore Corporation.

Lake County/City of Ronan was granted \$984,963 in CDBG funds to loan to the New Jore Corporation, a company located in Ronan that manufactures power tool accessories and drill bits for sale under private label brands such as Sears Craftsman, Home Depot, Lowes, and Stanley. The loan will provide the company with working capital and funding for new expenditures. The Lake County Community Development Corporation was awarded \$45,000 to cover administrative expenditures for project administration. Jore Corporation has projected that 50 new positions will be created and are expected to be filled by individuals from low and moderate-income families.

Locality: **Rosebud County**

Project Number: 02-02

Name of Company: Tongue River Lumber Company

Project Location: Ashland

Financing Date: 07/15/02

CDBG Funds:

Admin. Grant \$ 20,000

Loan for Working Capital \$ 380,000

Other Funds:

WIA Grant – Customized Training \$ 25,000

1st Interstate Bank \$3,000,000 (approximate)

Total Project \$3,425,000

Job Creation: 50-60

LMI Jobs: 40

Use of CDBG Funds: Working Capital for re-opening of the Tongue River Lumber Company mill.

Rosebud County was awarded a total of \$425,000 in CDBG funds to provide a \$380,000 loan to Tongue River Lumber Company, and grant funds of \$20,000 to the County for administration of the project. Tongue River Lumber, located in Ashland, needs CDBG assistance for working capital. In addition the Department has granted \$25,000 in Workforce Investment Act (WIA) funds to Tongue River Lumber Company for a customized 6-month employee-training program for 10 employees to help increase the efficiency of the mill's operations. Employees completing the training will receive a minimum of \$11.35 per hour plus benefits. The employee-training grant is part of the Governor's Discretionary Fund under the Workforce Investment Act administered by Commerce in cooperation with the Montana Department of Labor and Industry.

The reopening of the mill will return 50 to 60 full-time jobs to the Ashland Community, 40 of which will be filled by or made available to individual from low to moderate-income families.

Funds are not firmly committed at this time and may be higher or lower than stated above.

Locality: **Anaconda-Deer Lodge County**

Project Number: 02-01

Name of Company: Old Works Resort Hotel, LLC

Project Location: Anaconda

Financing Date: 4/26/02

CDBG Funds:

Working Capital; \$ 400,000

Furniture, Fixtures, Equipment

Admin. Grant \$ 32,000

Other Funds:

1st National Bank \$3,839,405

USDA (*IRP) \$ 150,000

Equity \$1,250,000

Total Project:: \$5,671,504

Job Creation: 32

LMI Jobs: 27

Use of CDBG Funds: Purchase furniture, fixtures, equipment; and working capital for the Old Works Resort Hotel, LLC.

Anaconda-Deer Lodge County was awarded \$432,000 in CDBG funds to loan to the Old Works Resort Hotel, LLC for the purchase of furniture, fixtures, and equipment as part of a \$5.6 million hotel project located in Anaconda. The borrower has projected 32 full-time equivalent jobs will be created, 27 of which will be filled by low and moderate-income persons. Grant funding of \$32,000 was awarded to Anaconda Local Development Corporation and the County for the administration of the project.

CDBG-ED PLANNING GRANT AWARDS

Locality: **CITY OF HELENA**

Project Number: 02-01

Project Location: Helena

Financing Date: 7/2/02

CDBG Funds:

Grant for Neighborhood Plan

For Railroad District \$20,000

Other Funds:

City of Helena \$42,240

Volunteer Services \$ 5,110

Total Project: \$67,350

Job Creation: Not Applicable

LMI Jobs: Not Applicable

Use of CDBG Funds: Economic Development Project & Housing

Preparation of a Preliminary Architectural Report (Housing), and Five-Part Neighborhood Planning Effort in Helena's Railroad District (Economic Development).

Locality: **CITY OF CUT BANK**

Project Number: 02-02

Project Location: Cut Bank

Financing Date: 7/2/02

CDBG Funds:

Grant for Comprehensive Growth

Policy Plan (Econ. Dev.) \$13,000

Other Funds:

City of Cut Bank \$14,000

Total Project: \$27,000

Total Project:

Job Creation: Not Applicable

LMI Jobs: Not Applicable

Use of CDBG Funds: Comprehensive Growth Policy Plan (Economic Development)

Complete a growth policy plan that addresses requirements in accordance with 76-1-601, MCA, prepare a capital improvements plan for the city, update the Overall Economic Development Plan (OEDP) and administration of this contract.

Locality: **GALLATIN COUNTY**

Project Number: 02-03

Project Location: Gallatin County

Financing Date: 7/2/01

CDBG Funds:

Grant for Economic Dev. \$20,000

Other Funds:

Gallatin County \$ 2,500

Gallatin Development Corp. \$18,283

Total Project: \$40,783

Job Creation: Not Applicable

LMI Jobs: Not Applicable

Use of CDBG Funds: Comprehensive Economic Development Strategy (Economic Dev.)

Completion of an EDA comprehensive economic development strategy process and administration of this contract.

Locality: **YELLOWSTONE COUNTY**

Project Number: 02-04

Project Location: Yellowstone County

Financing Date: 7/2/02

CDBG Funds:	
Grant for Comp. Growth Plan	\$20,000
Other Funds:	
Yellowstone County	<u>\$21,532</u>

Total Project:	\$41,532
Job Creation:	Not Applicable
LMI Jobs:	Not Applicable

Use of CDBG Funds: Comprehensive Growth Policy Plan (Economic Development)

Preparation of a comprehensive Growth Policy Plan that conforms to the requirements of Section 76-1-601, MCA; setting forth strategies and actions Yellowstone County, preparation of an economic development plan and administration costs of this contract.

Locality:	CITY OF WHITEFISH
Project Number:	02-05

Project Location:	Whitefish
Financing Date:	7/2/02

CDBG Funds:		
Grant for Economic Dev.	\$14,099	\$
Other Funds:		
City of Whitefish	<u>\$58,373</u>	

Total Project	\$72,472
Job Creation:	Not Applicable
LMI Jobs:	Not Applicable

Use of CDBG Funds: Strategy, Budget and Action Plan for Economic Development.

Preparation of a detailed implementation plan regarding the city economic development plan, including refining existing strategies and develop a budget and action plan for a proposed economic development zone that addresses a diversified community with livable wage jobs, and an affordable housing plan.

Locality: **FERGUS COUNTY**
Project Number: 02-06

Project Location: FERGUS COUNTY
Financing Date: 7/2/02

CDBG Funds:
Grant for CEDS, Community
Profile & Reg. RLF Eco. Dev. \$10,000
Other Funds:
Local Match \$10,500

Total Project: \$20,500

Job Creation: Not Applicable
LMI Jobs: Not Applicable

Use of CDBG Funds:

To provide funding for project activities approved by the department under the Montana Community Development Block Grant Program (CDBG) for Comprehensive Economic Development Strategy (CEDS), Community Profiles, and Regional RLF (Economic Development).

Locality: **BUTTE-SILVER BOW COUNTY**
Project Number: 02-07

Project Location:
Financing Date: 12/2/02

CDBG Funds: \$33,970
Other Funds:
County \$9,200
BLDC \$24,770

Total Project \$67,940

Job Creation: Not Applicable
LMI Jobs: Not Applicable

Use of CDBG Funds:

To assess the potential property expansion of the Butte Industrial Park by the review of existing engineering studies, environmental review of site, ownership study, and water right investigation; assess the capacity of the existing sanitary sewer system in south Butte, specifically the main trunk lines on south Parkmont Street, north to the confluence of the sewer trunk lines located near the confluence of Blacktail Creek and Silver Bow Creek; measure existing sanitary sewer flow rates and review existing data; map sewer main lines not detailed in the plan books at Metro Sewer; construct a hydraulic model of the main sewer lines; flow test input to the existing system; and prepare report summarizing the capacity of the existing sewer system in south Butte.

WORKFORCE INVESTMENT ACT (WIA) AWARDS

Business: **Phillips Environmental Products**

Project Number: WIA 02-05

Project Location: Belgrade

Financing Date: 6/5/02

WIA Funds: \$25,000

Other Funds:

Phillips Environmental \$25,000

Total Project: \$50,000

Job Creation: 14

Use of WIA Funds: Phillips Environmental Products produces outdoor equipment, such as portable commodes. Phillips will hire and train the following new positions: one media and marketing project manager; one office coordinator; three sales representatives; one distribution warehouse manger; two warehouse workers; one receptionist /secretary; two research assistants; and three bag assembly workers. Workers will be compensated at \$11.35 an hour plus benefits at the end of their training period.

Business: **Dynojet Research, Inc.**

Project Number: WIA 02-04

Project Location: Belgrade

Financing Date: 6/5/02

WIA Funds: \$25,000

Other Funds:

Dynojet Research \$36,055

Total Project: \$61,055

Job Creation: 11

Use of WIA Funds: Dynojet Research, Inc. produces motorcycle engine parts. Dynojet will hire and train the following new positions: Six full time level jobs in the power commander assembly department (unskilled); one part-time receptionist position (semi-skilled); one part-time quality control position (semi-skilled); one full time welder/machinist/fabricator (skilled); one full time electronics technician (skilled); one full time electrical engineer (skilled). Workers will be compensated at \$11.35 an hour plus benefits at the end of their training period.

Business:	Summit Design and Manufacturing, LLC
Project Number:	WIA 02-03
Project Location:	Helena
Financing Date:	5/16/02
WIA Funds:	\$ 75,000
Other Funds:	
Summit Design	\$435,205
Total Project	<u>\$510,205</u>
Job Creation:	15

Use of WIA Funds: Summit Design and Manufacturing, LLC produces high-tech aerospace parts. Summit will hire and train the following new positions during Phase II of Summit's business expansion: eight machinists; two tool-makers; two welders; two inspectors; and one engineer. Workers will be compensated at \$11.35 an hour plus benefits at the end of their training period.

Business:	Pasta Montana
Project Number:	WIA 02-02
Project Location:	Great Falls
Financing Date:	4/30/02
WIA Funds:	\$25,000
Other Funds:	
Pasta Montana	\$59,994
Total Project:	<u>\$84,994</u>
Job Creation:	5

Use of WIA Funds: Pasta Montana produces Montana-made pasta products. Pasta Montana will hire and train a plant manager with training consisting of processing, packaging, quality assurance, market research, and customer relations; and a controller/human resources manager with training consisting of inventory control, cost accounting, labor control, market research, and customer relations. Pasta Montana will also provide general training on

processing, packaging, quality assurance, maintenance, market research, and customer relations; and the hiring of a consultant to instruct two employees on technical packaging operations. Workers will be compensated at \$11.35 an hour plus benefits at the end of their training period.

Business:	Big Sky Airlines
Project Number:	WIA02-01
Project Location:	Billings
Financing Date:	4/30/02
WIA Funds:	\$48,120
Other Funds:	
Big Sky Airlines	\$48,120
Total Project:	<u>\$96,240</u>
Job Creation:	10

Use of WIA Funds: Big Sky Airlines will provide training for ten new full time positions based out of Billings. These positions will consist of six First Officers and four Captains. These positions will be hired and trained beginning in May 2002. Workers will be compensated at \$11.35 an hour plus benefits at the end of their training period.

Business Name:	Montana Manufacturing Extension Center (MMEC)
Project Number:	02-51-0050
Project Location:	Bozeman
Financing Date:	10/30/01
WIA Funds:	\$115,000
Other Funds:	
MMEC	\$115,000
Total Project:	<u>\$230,000</u>
Job Creation:	Not Applicable

Use of WIA Funds: The Montana Manufacturing Extension Center (MMEC), based at the Montana State University in Bozeman, has provided numerous training courses to Montana manufacturers to assist them with introductory training utilizing videoconferencing and in-depth

training topics including lean manufacturing; change management and value stream mapping; financial management for manufacturers; internal auditing training; cost estimating; and marketing.